



**State Representative Jay Edwards**  
**State Representative Kris Jordan**

Chairman Merrin, Vice Chairman Riedel, Ranking Member Sobceki, thank you for the opportunity to testify in support of our legislation to give Ohio employers and employees greater certainty and predictability on municipal income taxation, House Bill 157.

Nearly a year ago, Republicans and Democrats came together to pass House Bill 197, the first of what would become many bills to help Ohio meet the challenges of COVID-19.

One of the issues we addressed in House Bill 197 was how municipal income taxation would be handled during the pandemic a time when many Ohioans might be working from home, in a taxing jurisdiction different from the location of their employer.

What the bill ultimately said was this: "... during the period of the emergency declared by Executive Order 2020-01D, issued on March 9, 2020, and for thirty days after the conclusion of that period, any day on which an employee performs personal services at a location, including the employee's home, to which the employee is required to report for employment duties because of the declaration shall be deemed to be a day performing personal services at the employee's principal place of work."

In other words, House Bill 197 simply created a temporary rule regarding the municipal income taxation of employees working at home or another temporary worksite due to COVID-19, a provision that was to end 30 days after the end of the governor's COVID-19 emergency declaration.

No one knew at the time, of course, that a year later, the executive order would still be in effect. And what we don't know today is when that declaration will come to end. Perhaps it's tomorrow, next week or next month?

We just don't know. And that lack of clarity increases the chances for confusion and compliance questions.

The bill before you is straight forward: It repeals this temporary municipal income tax provision – Section 29 of House Bill 197.

Our goal is to provide employers and employees alike with certainty and predictability on this important issue. They need to know when Ohio's approach to municipal income taxation will return to the pre-pandemic days. That's what House Bill 157 is about.

House Bill 157 supports Ohio workers and businesses alike by providing clear direction regarding municipal income taxation in Ohio.

Thank you for your time today. We'll be happy to answer any questions you may have.